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Attorneys for StakeHound S.A.

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:

CELSIUS NETWORK LLC, *et al.*,¹

Debtors.

CELSIUS NETWORK LIMITED,
Plaintiff

v.

STAKEHOUND SA,

Defendant

Chapter 11

Case No. 22-10964 (MG)

Adversary Proceeding
No. 23-01138 (MG)

**DEFENDANT STAKEHOUND SA's
MOTION PURSUANT TO BANKRUPTCY RULE 9006(c)
FOR ORDER SHORTENING NOTICE WITH RESPECT TO THE
EMERGENCY MOTION FOR AMENDMENT OF ORDER GRANTING TRO**

¹ The Debtors in these chapter 11 cases (the "Chapter 11 Cases"), along with the last four digits of each Debtor's federal tax identification number, are: Celsius Network LLC (2148); Celsius KeyFi LLC (4414); Celsius Lending LLC (8417); Celsius Mining LLC (1387); Celsius Network, Inc. (1219); Celsius Network Limited (8554); Celsius Networks Lending LLC (3390); and Celsius US Holding LLC (7956). The Debtors' service address in these Chapter 11 Cases is 121 River Street, PH05, Hoboken, New Jersey (07030).

StakeHound S.A., the defendant in the above-captioned adversary proceeding (“*StakeHound*”), respectfully represents as follows in support of this motion (the “*Motion to Shorten*”):

Relief Requested

1. StakeHound seeks entry of an order, pursuant to Rule 9006(c) of the Federal Rules of Bankruptcy Procedure (the “*Bankruptcy Rules*”), shortening the notice period applicable to StakeHound’s forthcoming *Emergency Motion for Amendment of Order Granting TRO* (the “*Emergency Motion*”) filed contemporaneously herewith.² The Emergency Motion seeks relief from this Court amending the terms of the *Order Granting TRO* [ECF No. 59].

2. Specifically, StakeHound seeks entry of an order shortening the notice period for the hearing to consider the Emergency Motion, and setting the date and time for the hearing on the Emergency Motion for **September 19, 2023, at 3:00 p.m. (prevailing Eastern Time)** (the “*Hearing*”). StakeHound also requests that the Court set the deadline to object to the relief sought in the Emergency Motion for **September 19, 2023, at 10:00 a.m. (prevailing Eastern Time)**.

3. A proposed order granting the Motion to Shorten is attached hereto as **Exhibit A** (the “*Proposed Order*”).

Background

4. On July 11, 2023, the Plaintiff commenced this adversary proceeding against StakeHound. On August 23, 2023, the Plaintiff filed its *Motion for Temporary Restraining Order* [ECF No. 33] (the “*TRO Motion*”). StakeHound filed its objection to the TRO Motion on August 25, 2023 [ECF No. 42], and its supplemental objection to the TRO Motion on September 8, 2023

² Capitalized terms used but not defined herein have the meanings ascribed to them in the Emergency Motion.

[ECF No. 65] (collectively, the “**Objection**”). Also on September 8, 2023, StakeHound filed the *Second Declaration of Albert Castellana* [ECF No. 65] (the “**Second Castellana Declaration**”).

5. On September 8, 2023, the Court entered the TRO Order, providing as follows:

STAKEHOUND, AND ALL PERSONS ACTING IN CONCERT WITH STAKEHOUND, ARE HEREBY PROHIBITED AND PRELIMINARILY ENJOINED FROM TRANSFERRING ANY ASSETS OR PROPERTY WITHIN STAKEHOUND’S POSSESSION, CUSTODY OR CONTROL TO ANY PERSON OR ENTITY PENDING THE OUTCOME OF THE PRELIMINARY INJUNCTION HEARING, WHICH, WITH THE AGREEMENT OF COUNSEL, WILL BE HEARD BY THE COURT ON SEPTEMBER 27, 2023 AT 9:00 AM. Notwithstanding the terms of this TRO, StakeHound shall be permitted to spend \$200,000 in money or money’s worth of the subject assets between now and the PI Hearing.

See TRO Order, p. 12.

Relief Requested Should Be Granted

6. Local Bankruptcy Rule 9006-1 ordinarily requires with respect to non-discovery related motions that “[e]xcept as otherwise ordered by the Court, or required by the Bankruptcy Rules,” such motion papers “shall be served at least fourteen (14) days before the return date.” Bankruptcy Rule 9006(c), however, provides that “when an act is required or allowed to be done at or within a specified time by these rules or by a notice given thereunder or by order of court, the court for cause shown may in its discretion with or without motion or notice order the period reduced.” Fed. R. Bankr. P. 9006(c).

7. Here, sufficient cause exists to shorten the notice period for the Emergency Motion to four (4) days. As set forth in the Emergency Motion and the Second Castellana Declaration, StakeHound has a legitimate and established need to maintain its validator nodes, and to pay the attorneys’ fees and costs associated with prosecuting and defending its critical ongoing litigation. *See* Emergency Motion, ¶ 8–11, 22; Second Castellana Decl. ¶ 5–8. The Second Castellana Declaration demonstrates that the failure to pay these operating expenses will diminish the value

of StakeHound's assets, and potentially destroy StakeHound's business as a going concern altogether. *See* Emergency Motion, ¶ 22; Second Castellana Decl. ¶ 5–8. Based on the foregoing, StakeHound respectfully submits that cause exists to shorten the notice period with respect to the Emergency Motion.

Notice

8. Notice of this Motion to Shorten will be provided to (i) the Office of the U.S. Trustee, and (ii) the Plaintiff. StakeHound respectfully submits that such notice complies with the requirements of Bankruptcy Rule 6004(a) and that no further notice is required.

[Signature Page Follows]

WHEREFORE StakeHound respectfully requests entry of the Proposed Order and such other and further relief as the Court may deem just and appropriate.

Dated: September 15, 2023

Respectfully,

/s/ Stephanie Wickouski

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